

**IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF MISSOURI
CENTRAL DIVISION**

UNITED STATES OF AMERICA,)	No. 11-04008-01-CR-C-NKL
)	
Plaintiff,)	<u>Counts One through Fourteen:</u>
)	18 U.S.C. § 1344
v.)	NMT 30 years and/or \$1 million
)	Supervised Release: NMT 5 years
MICHAEL ALLEN PALMER,)	Class B Felony
[DOB: 8/2/59])	
)	\$100 mandatory penalty
Defendant.)	assessment, each count

I N D I C T M E N T

THE GRAND JURY CHARGES THAT:

At all times material:

1. MICHAEL ALLEN PALMER, Defendant, was President of the American Federation of State, County and Municipal Employees (AFSCME) Local 1324 in Fulton, Callaway County, Missouri.

2. AFSCME Local 1324 has a membership of employees who work at Fulton State Hospital. AFSCME Local 1324 conducted business in Callaway County, Missouri, and elsewhere.

3. Callaway Bank was a financial institution, the accounts of which were insured by the Federal Deposit Insurance Corporation (FDIC). AFSCME Local 1324 maintained checking account number XXXX12 at Callaway Bank in the name "AFSCME Local 1324."

The Scheme and Artifice to Defraud

4. From an unknown date, but at least as early as in or about November 2007, MICHAEL ALLEN PALMER, Defendant, devised and

executed a scheme and artifice to defraud Callaway Bank, an FDIC insured financial institution.

5. Between, in or about November 2007 and January 3, 2009, in Fulton, in Callaway County, in the Western District of Missouri, and elsewhere, MICHAEL ALLEN PALMER, Defendant, knowingly executed and attempted to execute a scheme and artifice to defraud and to obtain money, funds, credits and other property owned by and under the custody and control of Callaway Bank by means of material false and fraudulent pretenses, representations and promises.

6. It was an object of the scheme and artifice to defraud that PALMER, without the knowledge, authorization or consent of AFSCME Local 1324, would unlawfully take and obtain, by deception and fraud, money entrusted to Callaway Bank, and use the funds for his own personal benefit and the benefit of others.

7. It was a part of the scheme and artifice to defraud that PALMER would endorse the checks made payable to AFSCME Local 1324, and would cash these checks against AFSCME Local 1324's checking account, neither of which action had been approved nor authorized by AFSCME Local 1324.

8. It was a further part of the scheme that, between November 28, 2007, and January 3, 2009, PALMER made a total of 36 unauthorized cash withdrawals from AFSCME Local 1324's Callaway Bank checking account in amounts between \$50 and \$1,100 each, for an aggregate total of \$9,705, and used said amounts for his own

personal benefit and the benefit of others.

9. It was a further part of the scheme that, between September 27, 2008, and January 12, 2009, PALMER cashed eight checks from AFSCME Local 1324's Callaway Bank checking account, all made payable to "cash," in amounts between \$50 and \$175 each, for an aggregate total of \$905, and used said amounts for his own personal benefit and the benefit of others. On each of these occasions, PALMER forged the signature of the required co-signer, and presented these checks to Callaway Bank for payment, representing the forged co-signer's signature to be genuine and valid.

10. It was a further part of the scheme that, between October 13, 2008, and January 7, 2009, PALMER wrote six checks from AFSCME Local 1324's Callaway Bank checking account, made payable to various local businesses, in amounts between \$51.41 and \$80 each, for an aggregate total of \$426.53, and used said amounts for his own personal benefit and the benefit of others. On five of these occasions, PALMER forged the signature of the required co-signer; on the sixth occasion, PALMER forged the signature of the lone signer.

11. As a result of all the above, PALMER obtained by fraud a total of approximately \$12,826.33 of money and funds belonging to AFSCME Local 1324, of which he repaid approximately \$10,895.

Bank Fraud

12. On or about the dates listed below, in Fulton, in Callaway County, in the Western District of Missouri, and elsewhere, MICHAEL ALLEN PALMER, Defendant, did knowingly execute a scheme to defraud and to obtain money and funds owned by and under the custody and control of Callaway Bank, the deposits of which were then insured by the Federal Deposit Insurance Corporation, by means of material false and fraudulent pretenses, representations and promises, upon which the bank relied when it approved payments of the checks listed below, when the Defendant knew that he had neither authorization nor approval for the transactions from AFSCME Local 1324, which also had no knowledge of the transactions, and that the Defendant was not entitled to said funds:

Count	Date of Check	Description of Check
One	December 31, 2006	Check number 2185 in the amount of \$175, made payable to "Cash," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on December 30, 2008
Two	August 25, 2008	Check number 2176 in the amount of \$80, made payable to "Cash," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on October 27, 2008
Three	September 27, 2008	Check number 2168 in the amount of \$175, made payable to "Cash," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on September 29, 2008

Count	Date of Check	Description of Check
Four	October 9, 2008	Check number 2170 in the amount of \$50, made payable to "Cash," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on October 9, 2008
Five	October 13, 2008	Check number 2171 in the amount of \$80, made payable to "Mertens," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on October 16, 2008
Six	October 18, 2008	Check number 2172 in the amount of \$110, made payable to "Cash," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on October 20, 2008
Seven	October 19, 2008	Check number 2173 in the amount of \$78.77, made payable to "Mosers," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on October 22, 2008
Eight	October 21, 2008	Check number 2175 in the amount of \$150, made payable to "Cash," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on October 21, 2008
Nine	October 25, 2008	Check number 2177 in the amount of \$73, made payable to "Sir Winstons," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on October 30, 2008
Ten	October 26, 2008	Check number 2178 in the amount of \$68.35, made payable to "C&R Market," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on October 27, 2008
Eleven	November 2, 2008	Check number 2179 in the amount of \$51.41, made payable to "Mosers," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on November 4, 2008

Count	Date of Check	Description of Check
Twelve	January 6, 2009	Check number 2186 in the amount of \$100, made payable to "Cash," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on January 6, 2009
Thirteen	January 7, 2009	Check number 2187 in the amount of \$75, made payable to "Beks," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on January 16, 2009
Fourteen	January 12, 2009	Check number 2190 in the amount of \$65, made payable to "Cash," and drawn on AFSCME Local 1324's Callaway Bank checking account number XXXX12, which cleared on January 12, 2009

All in violation of Title 18, United States Code, Section 1344.

A TRUE BILL.

/s/

FOREPERSON OF THE GRAND JURY

/s/

Jim Lynn

Assistant United States Attorney
Missouri Bar No. 32140